

CCBS



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The Rt Hon Malcolm Rifkind MP
Secretary of State
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My ref:
Your ref:

Prime Minister²DHR
17/2

13 February 1987

Dear Malcolm

ABOLITION OF DOMESTIC RATES ETC (SCOTLAND) BILL: TRANSITIONAL PERIOD 1988-1992

Thank you for copying to me your letter of 6 February to Willie Whitelaw.

Apart from the impact on individuals - particularly those who have not been paying rates - part of the case for a transitional period has been the risk of making local authorities totally dependent on income from the community charge before the radically new arrangements have had time to become established. I hope you are satisfied that local authorities in Scotland would in fact be ready for full implementation of the community charge in 1989.

I am convinced that we must at least reduce the transitional period in England from the 10 years envisaged in the Green Paper. My officials are looking hard at all the options, and I will be coming back to colleagues with proposals as soon as I can. But some very difficult issues are involved. Meanwhile, if you made the announcement you propose, I would be able to say only that I was sympathetic to the aims of shortening the transitional period, and was considering ways in which this could be achieved. I am a little apprehensive as to whether this would sound convincing.

When, in due course, we do come to announce decisions about introducing the community charge in England, there will (as you say) be reasons we can put forward to justify variations between the two countries. But I am not sure how easy it will be to defend greatly different transitional periods north and south of the Border.

In view of the importance of the issues involved, and the implications for England and Wales of what you are proposing, I think it would be helpful to have a brief discussion in E(LF) before any final decision is taken.

I am copying this letter to the Prime Minister, members of E(LF) and Sir Robert Armstrong.

Nicholas Ridley
Nicholas

NICHOLAS RIDLEY

LOCAL GOVT

RATES

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